



# USAID | WEST AFRICA

## SUCCESS STORY

# Thanks to AGOA trade benefits, Cameroonian apparel firm grows

**AGOA trade benefits give African exporters an important competitive advantage. The Trade Hub helps them realize the Act's potential.**



Abou Fall/Trade Hub

*AGOA's trade preferences give West African companies an important advantage, allowing them to expand production and create jobs.*

***With targeted technical assistance, the Trade Hub helps businesses and government use AGOA to compete successfully.***

When an American buyer and customs officials told Cawer, an apparel maker in Cameroon, that its T-shirts did not qualify for duty exemption under the African Growth and Opportunity Act, the company's manager was distressed.

"Competition is fierce in the U.S. market," said the company's manager, Dalle Biack, recalling the situation recently. "The elimination of tariffs under AGOA contributes to a reduction in price compared to products coming from elsewhere. It's an important advantage."

AGOA eliminates tariffs on over 6,400 products from eligible African countries, but buyers, sellers and government agencies need to know about it and how to use it for it to have an impact. Trade Hub technical assistance helped each party understand that the T-shirts were indeed eligible for AGOA duty-free treatment.

Trade Hub AGOA Services Manager Abou Fall worked with the parties to sort out the problem.

"AGOA's benefits are obviously very meaningful, but actually taking advantage of them is sometimes difficult for companies, customs and buyers," Fall explained. "Providing practical information on AGOA helps ensure that everyone can benefit from the trade preferences it offers."

Cawer sent one container of T-shirts in January and sent a second container in March. The orders are generating the revenue that is helping Biack begin to realize his goal of expanding the company – creating hundreds of new jobs for young women.

"We will soon be able to ramp up to a container per week," he said. "We'll be very active, with two or three shifts. And that would mean adding more than 200 employees."

"We haven't done this kind of exporting here and it's only thanks to AGOA."